PSJ3

Exhibit 567

Walgreens

NaviGate

Functional Requirements & *(Macro)* Design

Program Name:	Retail Applications: Inventory Systems Development – Store Ordering	**Program Manager:**	Steve Bamberg
Project Name:	DEA Suspicious Ordering – Phase IV. (Controlled Substance Threshold)	**Project Manager:**	Rakesh Khanna
Project Number:	W0003956	**Account Unit:**	433400
Sponsor:	Store Operations.	**Business Owner:**	Barb Martin/John Merritello

Document Version Control

Date	Version #	Describe Revision(s)	Author(s)
05/01/2012	1.0	Initial	Rakesh Khanna
	1.1		

Approvals

Date	Approver(s)	Notes

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Overview:

Purpose -

The Controlled Substances Act is the primary federal law regulating the flow of controlled substances into the marketplace for medical purposes. Among other requirements, the act requires that distributors register with the Drug Enforcement Agency (DEA) to sell controlled substances to retail pharmacies and report to the DEA suspicious orders. The DEA is requiring that Walgreens monitor orders for control substances that are placed at the stores and sent to our DCs for filling. Such drugs are to be monitored for suspicious activity. Suspicious orders are defined by the DEA in terms of an Order Size or Order Frequency.

The purpose of this project is to create a process to systematically identify and prevent suspicious orders based on a formula used to determine inconsistent (suspicious) ordering patterns for controlled drugs. Any Control Drug Orders that are deemed suspicious will be flagged as suspicious and populated in a file to be sent up centrally to Loss Prevention and Rx services for review/analysis. The order that is flagged as suspicious on the store side will be intercepted and the order qty will be reduced to a non-suspicious (order limits) level. The item will be reduced to a non-suspicious level in order to prevent suspicious orders from being sent over to the DC. This method will help to insure that the stores are not able to receive quantities of product In excess of calculated tolerance.

Due to conditions outside of a stores control, functionality will be added to the application to allow stores to be removed from the suspicious ordering limits or to have individual items removed from the suspicious ordering limits. This is done to account for stores that may need to order more of an item for a certain amount of time. A file will be created to store all stores that have the application or items turned off along with a reason code that will be used to better understand why the store or items were turned off.

PHASE I Overview:-

In this Phase, DEA suspicious orders were not reduced. System was implemented as a 'Proof of Concept'.

PHASE II Overview:-

In this Phase, DEA suspicious orders were started to reduce, based on the calculated Tolerance Limit and the Ordering Frequency.

PHASE III Overview:-

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Please refer to the DEA Phase III Business Requirement document for complete details.

PHASE IV Overview:-

1.RX Vendor (Cardinal) manual orders needs to go thru DEA Limitations.

2.PFL orders needs to go thru the DEA Limitations along with the adjustments done in the 30 minutes order review period.

3.As a result of changes in 1 and 2, DEA reduced manual Rx vendor order items and PFL order items need not to look for manual RX vendor orders within next 24 hours. Functionality was added in DEA Phase III, if a DEA reduced warehouse order item was ordered manually from the Rx vendor within the next 24 hours, we will track and report the vendor and order information. There is no need to continue doing this in these two cases.

In Scope:

The scope of this project is limited to the store auto ordering from the DC and the Emergency orders. Only Control Drugs and PSE items will be applicable for the DEA limitations.

Systems Training & Consulting Impact *<Yes or No>*: No

Business Users Overview -

Business User Role / User Group	Location	Subject Matter Knowledge	Technical Knowledge	Other Observations, if any
Store Operations	200 Wilmot	Barb Martin		

Definitions and Acronyms -

Functional Requirements -

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FR ID	BR ID #	Description
1.	SC1-1	This business requirement addresses the need for the store's manual RX vendor order items to go thru the DEA Limitations in our SIMS store ordering system. DEA Suspicious Order Monitoring process will be applicable on this type of order and will reduce the order qty and mark it suspicious accordingly.
2.	SC1-2	This business requirement addresses the need for the store's Partial Fill (PFL) vendor order items to go thru the DEA Limitations in our SIMS store ordering system. DEA Suspicious Order Monitoring process will be applicable on this type of order and will reduce the order qty accordingly.
3	SC1-3	

Non-Functional Requirements:

Non-Functional Requirements -

NFR ID	BR ID #	Description
1.		

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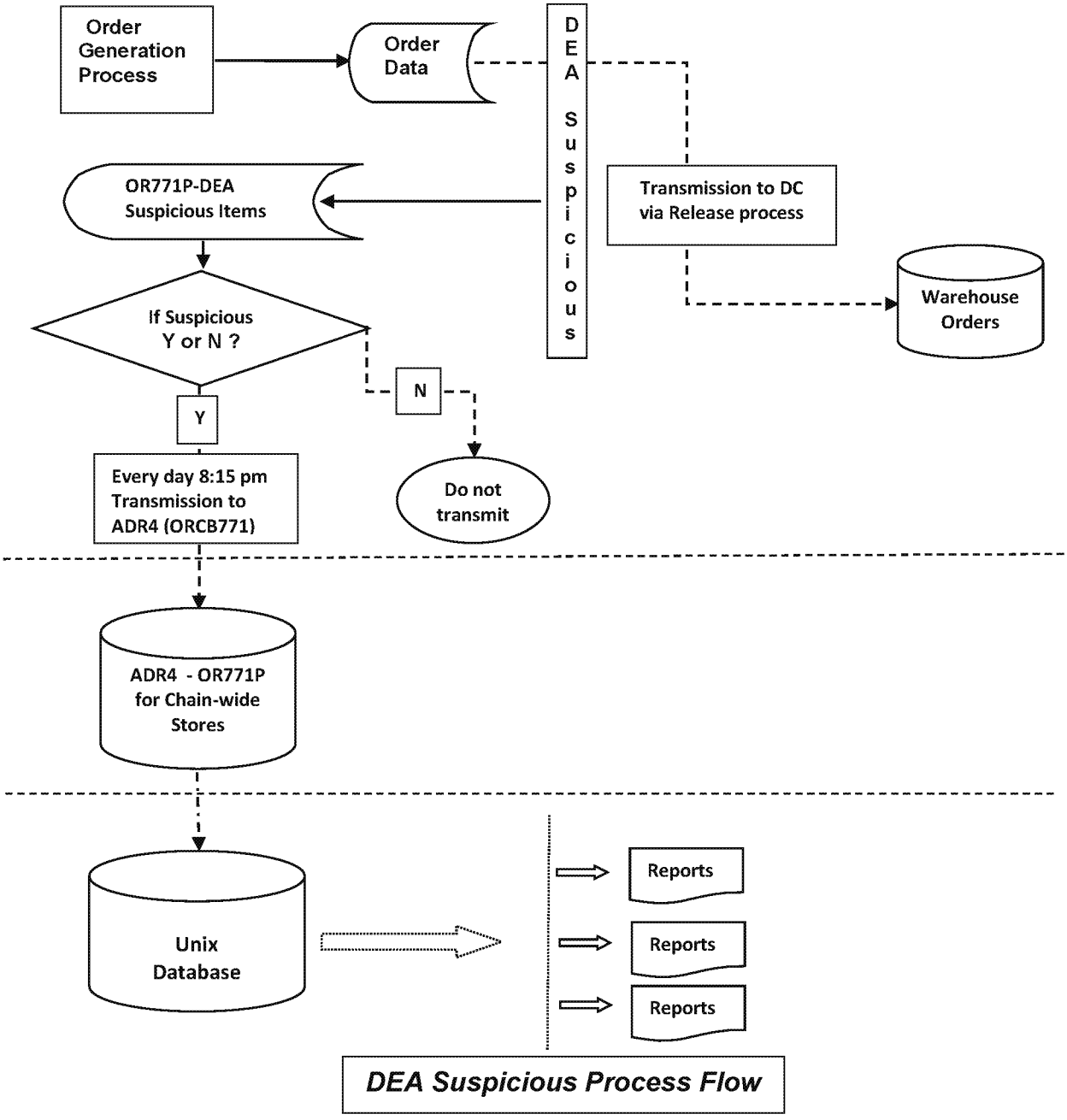
Process Flow Diagram –



DEA Suspicious Process Flow

Special / External Requirements –

S/ER ID	BR ID #	Description

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Audit/Controls

Existing audit controls will remain.

New Store

No special processing is needed for new stores.

Reporting

N/A

Puerto Rico, Hawaii, or Alaska Store (*non-mainland stores*) Impact

No special processing is needed for non-mainland stores.

Security Requirements -

None

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Application Narrative Overview (Macro Design):

Please see above.

Screen / Program / Process Navigation Flow:

Technical Requirements:-

1. An existing sub-menu 'Maintain DEA Control Variables', on the SIMS menu, displays a screen for the user to maintain DEA control variables. This screen will be changed by adding a new comment field of 50 bytes length under the Limit Order Qty' field. This input field will be used to add any comments related to the stores being taken off of the DEA limitations. After the store selections, which is done by using the F6=Refresh Stores, system will create the necessary NAI transactions to be sent to the selected stores. A job at the stores will read these transactions and update the Dashboard file. This will require changes in the DB file.

   A value of 'Y' in the Limit Order Qty field will allow to reduce the order and value 'N' will not.

   There is a built-in functionality to turn the flag 'On', if it remains 'Off' for more than two weeks. This way we are not depending on the user to turn the store back 'On'.

2. A new sub-menu 'Maintain DEA Exclusion Items' will be added on the SIMS menu. Upon selecting this Menu a new program will be called for the user to select and start entering the Control and PSE items. These will be the items that the system will not apply the DEA limitations. An input capable Comment field will be provided for each item. After the store selections, which is done by using F9=Refresh Stores, system will create the necessary NAI transactions to be sent to the selected stores. A job at the stores will read these transactions and update the DEA Exclusion Items file. Any item in this file will not go thru the DEA limitations. This will require changes in the Data Base file DEA Susp Item Exclusions, OR772P.

2. Create a new batch process, which will process one day old Suspicious Order Items and if it was found that the Suspicious Order Review process has reduced the order qty of an item, it will check if that item was subsequently ordered on the current day from the stores Rx Vendor. Stores Rx vendor will be retrieved from the Vendor Control file. If an item was found then it will update the Vendor Order Number, Vendor Number and the Order Qty of DEA Suspicious Order Items file. Also update the User after getting from the Order Item Audit file. This will require changes in the data base file DEA Susp Order Items file, OR771P.

3. Calculate the reduced order qty based on the DEA Suspicious Order Monitoring Process, as follows:-.

   If Suspicious Reason Code is 'T' or 'B'
   - If Order Qty = Tolerance Limit
     - If Adjusted Order Qty > Tolerance Limit
       - Reduced Qty = Adjusted Order Qty – Tolerance Limit
     - Else (Means Adjusted Order Qty < Tolerance Limit)
     - If Suggested Order Qty > Tolerance Limit
       - Reduced Qty = Suggested Order Qty – Tolerance Limit

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DEA Order
Monitoring Process.dc

4. Create a one-time put away program for ADR4 which will remove the Direct Store Orders from Cardinal, the orders with order qty same as Tolerance Limit with Suspicious Reason Code of 'T' and Adjusted Order Qty is zero. It will also remove the Frequency suspicious order items when Days Since Last Order is less than three and greater than one hundred.

5. Create a one-time put away program to turn all the stores 'On' to go thru the DEA limitations.

6. When an order item is deleted from the order review process, make sure the corresponding DEA Suspicious Order Item record is also deleted.

7. Correct all the Review Suggested Order programs to make sure that the Adjusted Order Qty, Adjusted User and Adjusted Date fields are populated correctly in OR771P and OR089P files at the store.

8. Change an existing ORCB771 CL program such that it will transmit an updated suspicious data from the store to ADR4, after 24 hours of its creation and after checking for the DEA reduced items ordered from Cardinal.

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New / Modified Program Code Requirements:

Program Module	System	Program Description	Program Type	Program Language	New Pgm?	Modification/Creation Description
ORPO711 DEA Itm Exclusio	ADR4		*RPG	SYNON	NO	▪ Maintain Excluded items for DEA. ▪
ORPO712 Add Cntl Drug Itm	ADR4		*RPG	SYNON	YES	▪ Displays Control Drugs list for the user to select.
ORPO713 Add PSE Items	ADR4			SYNON	YES	Display PES items list for the user to select.
ORPO714 Select Stores Loc	ADR4			SYNON	YES	Displays a list of stores for the user to select one or many stores.
ORPB720 TRINB DEA Susp It	Store			SYNON	YES	▪ Reads inbound transaction records and update OR772P file at the store.
ORCJ720	Store		CLP			Schedule job ORCB720 at the store.
VOPB055E Add to Sug Order	Store			SYNON	NO	▪ Add an order item into an existing order.
ORPB306 Determine DEA Lmt	Store			SYNON	NO	This is a driver program for both ORPB307 Calculate DEA TL and ORPB309 Calculate DEA OF depending on a variety of criteria.
ORPB318 Upd DEA Susp Item	Store			SYNON	NO	This program will check if the item is there in OR771P and there are any changes to the item qty or new item is added, we accordingly change OR771P.
ORPO055E Add to Sug Order	Store			SYNON	NO	This batch process will update the Order Release date, calc new estimated Delivery date, add new items to the order which will update the Order header, Order Dept Summary and Order Item records.
ORPB720T Crt DEA ExUT480P	ADR4			SYNON		This one-time pgm will populate UT480P with the record for "DEA Excluded Item" which will be used by the NAI process to download the data in the store.
ORPB312 Purge DEA SuspItm				SYNON	NO	This program will purge old record from DEA Susp Order items (OR771P) and Order Item Audit (OR089P).
ORCB771	Store			CLP	NO	Transmit OR771P to ADR4 daily.
ORPB774 Get RX Re-Order Nbr	Store			SYNON	NO	This program updates the OR771P file with the Rx manual re-order line details for the DEA marked suspicious items.
ORPB774T DEA Cleanup	ADR4			SYNON	NO	This is a one time put away program which will clean bad data from OR771P file on ADR4.
ORPO317 Dsp Susp Item Dtl	ADR4			SYNON	NO	This program displays the details of records in DEA Suspicious Order Item-OR771P to Corporate Users for analysis.
ORPB327T Crt for DEA Susp	Store			SYNON	NO	▪ Turn the DEA Apply Flag to 'On' at the store.

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ORPB382 CII Drug Order				SYNON	NO	The process will release the store order to the store's parent warehouse, which will redirect the order to Presidents Plaza. This function is for CII drug order process only. The program selects only the vendor - Presidents Plaza.
ORPB383 Rlse Warehse Ord				SYNON	NO	This is a warehouse order release program.
ORPB877 Build FTP File				SYNON	NO	This program was recompiled for the changes done in OR771P file.
ORCB712				CLP	YES	Select C2 Items from MN003P
ORCB713				CLP	YES	Select PSE Items from MN003P
ORPO733A				SYNON	YES	Build And Insert record from MN003P to QTEMP.
ORPB305 Rlse Sugg D/C Ord				SYNON	NO	▪ Order release program.
ORPB077 Delete Order				SYNON	NO	This function will delete records in Ordering files OR007P, OR008P,OR009P and Sus Order Items file OR771P for a specific Order number. This will update Order Item Audit stamp file OR089P with recent audit stamp info.
ORPB080 Dlt/Upd Ord Audit				SYNON	NO	This function will Update Audit stamp file OR089P and clear Susp Order items file OR771P for specific order. Need for this program is b'coz of number of files exceeded in ORPO010 and ORPO017.
ORPO312 Susp Ord Itm-Mtly				SYNON	NO	This program displays the Monthly data of DEA Suspicious Order Item-OR771P to Corporate Users for analysis.
ORPO313 Susp Ord Itm-Wkly				SYNON	NO	This program displays the Weekly data of DEA Suspicious Order Item OR771P to Corporate Users for analysis.
ORPO317 Dsp Susp Item Dtl				SYNON	NO	This program displays the details of records in DEA Suspicio us Order Item-OR771P to Corporate Users for analysis.
ORPO318 Disp Order Item Audit				SYNON	NO	This program display the Order Item Audit information
ORPO033 Ord Expt by Descr				SYNON	NO	Order Exceptions by Description
ORPO033A Ord Expt by Cost				SYNON	NO	Order Exceptions by cost
ORPO030A Itms for Dept(P)				SYNON	NO	Changes to line item order qty for Prescriptions only. make changes to line item order qty for Prescriptions only. It is a copy of ORPO030
ORPO035 Create PDQ Order				SYNON	NO	This on line screen will create/update PDQ orders. ORPO010, ORPO017, ORPO020, ORPO027
ORPO037 Items by Cost				SYNON	NO	This module will retrieve items by departmant and make changes to line item order qty.
ORPO037A Items by Cost(P)				SYNON	NO	This module will retrieve items by departmant in cost change order and will make changes to line item order qty for Prescriptions only. It is a copy of ORPO037.

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ORPO031 Order Exceptions				SYNON	NO	This module will retrieve items for a store and made changes t line item order qty.
ORPB417 Set Order Qty				SYNON	NO	This program sets the Order Qty and Suspicious Reason Code.
ORPB419 Set Reduced Qty				SYNON	NO	This program sets the Reduced Qty.

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Screen / Report Layouts:

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AS/400 Screen Changes

N/A.

Report	System	Report Description	Program Type	Program Language	New Pgm?	Modification/Creation Description
None						

File Layouts:

None

Manual Procedure:

Process Name	User Impact	Process Description
None		

Performance/Availability:

None

Assumptions:

Exclusions:

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